

Phillip D Helton  
 04/14/99 10:49 AM

To: DPGBO - DPCBUSMGRS  
 cc: DPGBO - BUDGET, Sandra P Meyer/Corp/DukePower@DukePower, Rick R  
 Ealey/Corp/DukePower@DukePower, Gary W Horton/Corp/DukePower@DukePower  
 Subject: EIP / STIP Exclusions

Sandra Meyer and I have completed the review of the EIP/STIP information you submitted to us yesterday. The following have been approved as exceptions:

1. Insurance Refund Entries
2. Executive Compensation
3. Price Waterhouse Act Entry
4. IM Reclass (Distribution Effect Only)
5. Injuries and Damages Reserve (\$20,000 Entry)
6. Merchandising Entry (\$5,111,137)
7. Double counting of Hydro Study write-off costs

You may take the appropriate portion of these entries for your LOBs and move forward on your EIP results submittal to Gary Horton. For this submittal, please list out all measures and their performance, not just a percentage number of the total results.

In addition, we received a request yesterday to supply some info for the corporate compensation committee. I need your year-end 1997 results for any of your operational measures that you are submitting. If you could get this to me by mid-afternoon, this would be helpful. The plan is to review this with Sandra by late afternoon. Your help in this would be appreciated. If this date is not available or causes a concern, please let me know.

Sandra still plans on running this by Bill Coley. If anything is effected from that, I will let you know asap. If you have questions or concerns, please let me know.

Bob  
 10/18

Mike Budget  
 Vendor

which not affecting  
 structure packages

CONFIDENTIAL

GT-001438

DP 001436

COPY NO. 17

COPY NO. 18